

# **Carlisle-Nicholas County Industrial Development Authority**

Special Called Meeting Minutes – June 1, 2011

1. Meeting was called to order by Chairman Duane Kenney. Authority members present were Duane Kenney, Carlton Jones, Kenneth Lyons, Paul Mulhollem, Bascom Sorrell and Bob Sparks. Members absent were: Kevin Booth and Wes Berry. Guests present were Steve Scalf, Carlisle Courier, and George Lewis, Carlisle Mercury.
2. A lengthy discussion surrounded the need to acquire and develop land for industrial use. The primary concern was the potential loss of the land surrounding the City of Carlisle owned former Jockey Knitting Plant. Chairman Kenney presented a number of pros and cons to the facility in question. The pros include: a good main lot, utilities there, good road access, already zoned industrial, multiple (7) businesses within the vicinity. The cons, or concerns because of not having sufficient information, include: condition of the building; whether it had been cleared by the EPA; and the cost to repair, replace or refurbish the current building. The loss of 31 acres of industrial property seriously concerned the members. There were also discussions about what the Board could do with the knitting plant, and the possibility the cost of repairs to the building would exceed the cost of tearing the building down and building a new building, or several new buildings given the amount of land involved. The decision was to be put on the agenda for the City Council Meeting scheduled June 13, and to express the concerns of the board over losing the Industrial Property and interest in obtaining the property for future development and use, with an understanding the board would need to perform due diligence in resolving their concerns.
3. With the recurring defaults and violation of elements of the lease by the current tenant of the IDA owned Jockey building, the board discussed the next steps. Chairman Kenney indicated he still had not been able to arrange a meeting with George Hoffmeister, noting he was in China until June 15. The discussions focused on several persons interested in immediately leasing space in the building to expand their operations, and the fact the current occupant has basically vacated the building and in the nearly four years of their lease, they have done little more than store parts in the building and brought no new jobs to the county. The consensus was the board needed to plan for the potential that within a little over a year, the occupant wouldn't be there. The decision was to get experts to look at the building and give us an idea at the costs of turning it into an industrial incubator where small companies could begin small and have space to expand. Judge Lyons reported the Bluegrass ADD could arrange to have an industrial engineer come by to give them some ideas. It was also discussed that when we were ready to do that, and if we hadn't been able to find out what the current occupant plans for the future, we look at either offering them significantly reduced space, or evicting them. With regard to the current tenant, it was

decided the chairman would write a letter to George Hoffmeister requesting his intensions regarding the use of the IDA building, with the letter sent by certified mail, with the content of the letter to mention we are coming up on the anniversary of the lease, and we have observed they are not using the building as they originally planned under the lease, and that we have others interested in the building with two alternatives presented to them of either vacating the lease or renegotiating the lease with them taking a smaller portion of the building. Duane Kenney moved that the letter be sent to Metavation LLC. His motion was seconded by Carlton Jones, with all voting in the affirmative.

4. The Annual Meeting will be held on the regular meeting date of June 13, at the Neal Welcome Center. Because of plans to attend the City Council Meeting the same evening, the meeting time was changed to 4 p.m. with dinner to be served at 5 p.m.
5. Motion to adjourn was made by Chairman Duane Kenney, seconded by Paul Mulhollem, and agreed to by all.

  
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Carlton Jones, Vice-Chairman

June 8, 2011

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Date